

THE LEARNING EXPERIENCE

KANSAS CITY, MISSOURI

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$5,063,000 | 7.25% CAP RATE

- » New 15-Year Net Lease with Scheduled Rental Increases
 - » National Tenant with 300+ Locations and Growing
- » Located in a Populous, Affluent, and Growing Kansas City Market
 - » \$105,992 AAHI Within Three Miles of the Location
 - » Population of 99,208 Within a Five-Mile Radius
- » Central Location Near Large Employers, Retailers, and Community Hubs
 - » Outparcel to the Plaza at Shoal Creek (260,000-SF, 38-Store Shopping Center)
 - » Four Miles from the Ford Kansas City Assembly Plant (7,250 Employees)
- » New 2020 Construction with Fenced Outdoor Play Area



FILE PHOTO



CUSHMAN &
WAKEFIELD

Cushman and Wakefield Inc. LIC. # 00616335

This property is listed in conjunction with Missouri-licensed real estate broker Cushman & Wakefield, Inc.

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DEMOGRAPHIC PROFILE

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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**YURAS
AICALE
FORSYTH
CROWLE**

Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	8213 North Flintlock Road, Kansas City, MO		
PRICE	\$5,063,000		
CAP RATE	7.25%		
NOI	\$367,000		
TERM	15 years		
RENT COMMENCEMENT	May 5, 2020		
LEASE EXPIRATION	May 31, 2035		
RENTAL INCREASES	8% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$367,000	7.25%
	6-10	\$396,360	7.83%
	11-15	\$428,069	8.46%
	16-20 (option 1)	\$462,314	9.13%
	21-25 (option 2)	\$499,299	9.86%
YEAR BUILT	2020		
BUILDING SF	10,000 SF		
PARCEL SIZE	0.98 acres (42,581 SF)		
LEASE TYPE	Net, with tenant responsible for all insurance and maintenance, excluding roof and structure		



FILE PHOTO

LONG-TERM LEASE TO NATIONAL TENANT WITH BRAND RECOGNITION AND GROWTH

- » New 15-year lease with two five-year options
- » Scheduled rental increases during initial term and option periods, providing a hedge against inflation
- » 300+ locations in 22 states
- » Tenant experienced 210% increase in five-year system-wide revenue growth and is one of the fastest growing franchises in its industry
- » Ranked in the Franchise 500 nine years in a row

LOCATED IN A POPULOUS, AFFLUENT, AND GROWING KANSAS CITY MARKET

- » High-traffic location with immediate access to State Route 152/Northeast Barry Road, a major east-west Kansas City thoroughfare (44,686 AADT)
- » Convenient access to Interstate 35 (61,871 AADT) and Interstate 435 (40,960 AADT), greatly increasing visibility to the site
- » Average annual household income of \$105,992 within three miles of the location
- » Population of 99,208 within a five-mile radius of the location, creating a large customer base for the site
- » Projected 13 percent average annual household income increase within a one-mile radius of the site in the next five years, poising The Learning Experience and Kansas City for significant concurrent growth

CENTRAL LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Outparcel to the Plaza at Shoal Creek, a 260,000-SF, 38-store shopping center featuring anchor-tenants ALDI and J.C. Penney
- » Surrounded by national retailers such as Walmart Supercenter, Target, The Home Depot, Best Buy, Kohl's, McDonald's, Cracker Barrel, and many more
- » Four miles from Liberty Hospital (199 beds, 1,700 employees)
- » Within a three-mile radius of five schools with a combined enrollment of 4,242 students
- » Four miles from the Ford Kansas City Assembly Plant (7,250 employees)



Liberty Triangle



MISSOURI RIVER



Walgreens



Sutherlands



Heritage Middle School
(883 students)



Crossroads Shopping Center



Liberty High School
(1,767 students)



Liberty Commons



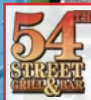
Wilshire Plaza



152 / Northeast Barry Road
(44,686 AADT)

35 / Interstate 35
(61,871 AADT)

Plaza at Shoal Creek



Spira Care Liberty

Liberty Hospital
Urgent Care Shoal Creek



BioLife Plasma Services

Northland Family Care



Shoppes at Shoal Creek



Wild Oak Apartments
(348 units)



North Flintlock Road



Kansas City
International Airport
(18 miles)

 / Interstate 435
(40,960 AADT)

 Saint Luke's
Health System
URGENT CARE SHOAL CREEK

Hodge Park Golf Course



Future Housing Development
(approximately 75 units)



Cordillera Ranch
Apartments
(323 units)

 152

152 | Northeast Barry Road
(44,686 AADT)

Eagle Pointe Preserve
(69 units)

CLAYVIEW COUNTRY CLUB

Liberty Oaks
Elementary School
(545 students)

Proposed Valley
View Shoppes



Liberty at Shoal Creek
(185 units)

Shoppes at Shoal Creek



Plaza at Shoal Creek



Wilshire Plaza



North Flintlock Road

Wild Oak Apartments
(348 units)



Northland
Family Care



BioLife Plasma
Services

Liberty Hospital
Urgent Care Shoal Creek

Spira Care Liberty



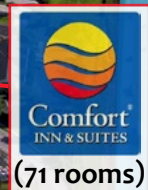
Warren Hills
Elementary School
(684 students)

Interstate 35
(61,871 AADT)

Shoal Creek
Elementary School
(829 students)



Shoppes at Shoal Creek



152 / Northeast Barry Road
(44,686 AADT)

Plaza at Shoal Creek



Spira
Care Liberty

Liberty Hospital

BioLife Plasma Urgent Care Shoal Creek
Services

Northland
Family Care



Future Housing Development
(approximately 75 units)

Proposed Valley
View Shoppes

Liberty at Shoal Creek
(185 units)



DOWNTOWN KANSAS CITY
(12 miles)



KANSAS CITY ASSEMBLY PLANT
(7,250 employees)



Interstate 435
(40,960 AADT)

Ford
Stamping Plant

Kansas City Regional Police
Academy and Police Department

Liberty Parkway Plaza
(ongoing construction)

Liberty Parkway Plaza
(977,000 SF of industrial buildings, 21,000
SF of retail and service buildings)

Discovery
Middle School
(699 students)

Future Housing Development
(approximately 75 units)



(71 rooms)

Interstate 35
(61,871 AADT)

A&M Truck & Equipment

North Flintlock Road

CLAYVIEW COUNTRY CLUB



Wild Oak Apartments
(348 units)



(99 rooms)



(83 rooms)

Northland
Family Care



Liberty Hospital
Urgent Care Shoal Creek

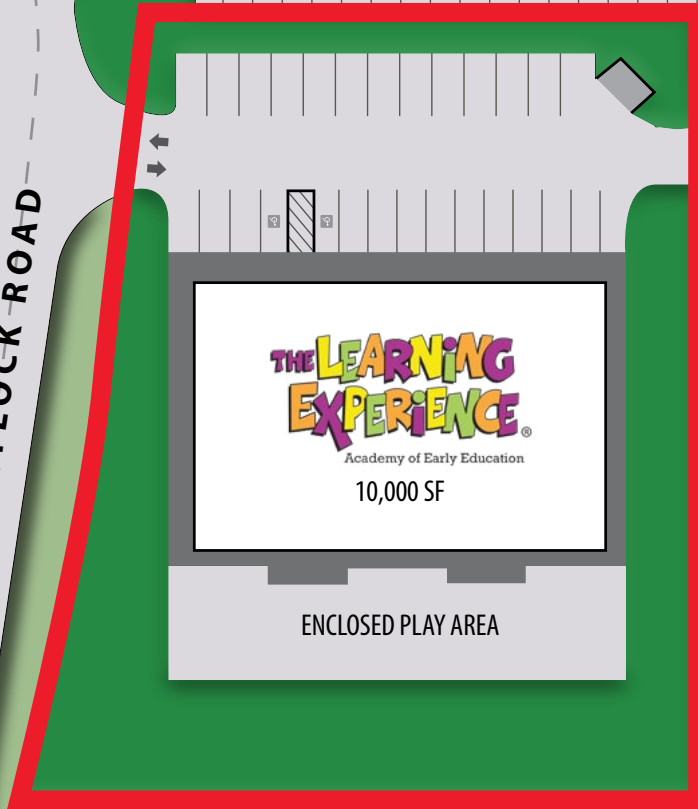
BioLife Plasma
Services



SITE PLAN



NORTH FLINTLOCK ROAD



THE LEARNING
EXPERIENCE[®]
Academy of Early Education
10,000 SF

ENCLOSED PLAY AREA

DETENTION POND

NORTHEAST
82ND TERRACE



TENANT SUMMARY



Founded in 1980, The Learning Experience is one of the nation's fastest growing childcare and early education franchises, with over 300 child development centers open or under development in 22 states. The Learning Experience offers childcare and early education services to infants, toddlers, twaddlers, preppers, preschoolers, and pre-K and kindergarten children. The company also provides before and after school care services for children up to eight years of age.

With a 210% increase during a five-year, system-wide revenue growth and over 35 new centers opening annually, *Forbes* named the company one of the "Best Franchises to Buy in 2015". The Learning Experience was ranked in the Franchise 500 in each of the past nine years (2011-2019).

The early education and childcare industry has grown exponentially over the past decade and shows no signs of slowing down. The U.S. Bureau of Labor Statistics projects that day care businesses will have some of the fastest employment growth of all industries through 2020. Demand for childcare services is driven primarily by growth in the youth population. According to a recent U.S. Census Bureau estimate, there are currently over 24 million children under the age of six living in the United States. Of those 24 million, 15.1 million require childcare. As a result, industry growth is expected to continue at a steady pace. In 2018, the childcare industry netted revenues of \$53 billion; and, over the next five years, the childcare industry revenue is forecasted to increase at an average annual rate of 3.4% to \$62.6 billion.

For more information, please visit www.thelearningexperience.com.

OWNERSHIP	Private	LOCATIONS	300+
HEADQUARTERS	Boca Raton, FL	SALES	\$236.6M

LEASE ABSTRACT

TENANT	TLE at Kansas City, LLC		
GUARANTOR	The Learning Experience Corp.		
ADDRESS	8213 North Flintlock Road, Kansas City, Missouri 64158		
RENT COMMENCEMENT	May 5, 2020		
LEASE EXPIRATION	May 31, 2035		
RENEWAL OPTIONS	Two (2) options of five (5) years		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-5	\$367,000	7.25%
	6-10	\$396,360	7.83%
	11-15	\$428,069	8.46%
	16-20 (option 1)	\$462,314	9.13%
	21-25 (option 2)	\$499,299	9.86%
REAL ESTATE TAXES	Tenant shall pay all real estate taxes.		
INSURANCE	Tenant, at its sole cost and expense, shall obtain and maintain general liability insurance.		
REPAIR & MAINTENANCE	Tenant, at its sole cost and expense, shall keep clean and maintain the Leased Premises, including the parking lot, driveways, landscaping, exterior, fences, sidewalks, utility connections, plumbing and pipes, the store front and the exterior portions of all doors, windows, and plate glass surrounding the Leased Premises, all interior Building systems, including all plumbing within the Building, fixtures and interior walls, ceilings and floors, all building appliances, air conditioning and heating units and systems, and any part of the Leased Premises (interior or exterior) to the extent necessitated by the act or omission of Tenant, its agents, employees or contractors.		
MAINTENANCE BY LANDLORD	Landlord, at its sole cost and expense, shall keep in good order, and shall be responsible for the maintenance, repair and replacement of the roof and all of the structural portions of the Leased Premises.		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property has a high-visibility location with immediate access to State Route 152/Northeast Barry Road, a major east-west Kansas City thoroughfare (44,686 AADT). The location also maintains convenient access to Interstate 35 (61,871 AADT) and Interstate 435 (40,960 AADT), greatly increasing visibility to the site. The property resides in a robustly affluent area, with an average annual household income of \$105,992 within three miles of the location. The property benefits from a central location in a densely populated area, with 99,208 residents living within a five-mile radius of the location. The property is primed to grow along with the surrounding area, with a projected 13 percent average annual household income increase within one mile of the site in the next five years.

Visibility to the property is increased by the site's centralized location near large employers, retailers, and community hubs. The property is an outparcel to the Plaza at Shoal Creek, a 260,000-SF, 38-store shopping center featuring anchor-tenants ALDI and J.C. Penney. The site is also surrounded by national retailers such as Walmart Supercenter, Target, The Home Depot, Best Buy, Kohl's, McDonald's, Cracker Barrel, and many more. The property benefits from its location four miles from the Ford Kansas City Assembly Plant (7,250 employees) and Liberty Hospital (199 beds, 1,700 employees). The location is also within a three-mile radius of five schools with a combined enrollment of 4,242 students.

ACCESS

Access from North Flintock Road

TRAFFIC COUNTS

State Route 152/Northeast Barry Road:	44,686 AADT
Interstate 35:	61,871 AADT
Interstate 435:	40,960 AADT

PARKING

28 parking stalls, including two (2) handicap stalls

YEAR BUILT

2020

NEAREST AIRPORT

Kansas City International Airport (MCI | 18 miles)



2020

YEAR BUILT



44K

TRAFFIC
COUNT (AADT)



NEAREST
AIRPORT

KANSAS CITY
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Kansas City is the largest city in Missouri and the sixth largest city in the Midwest. According to the U.S. Census Bureau, the city had an estimated population of 495,327 in 2019, making it the 38th most-populous city in the United States. Kansas City has a steady local economy that historically weathers economic fluctuations because of its diverse industry segments. Headquarters, technology-based companies, entrepreneurs, freight-based companies, and shared-service centers select Kansas City for its central location, educated workforce, and access to a strong support network of public and private programs, civic-minded entrepreneurs, and competitive incentives.

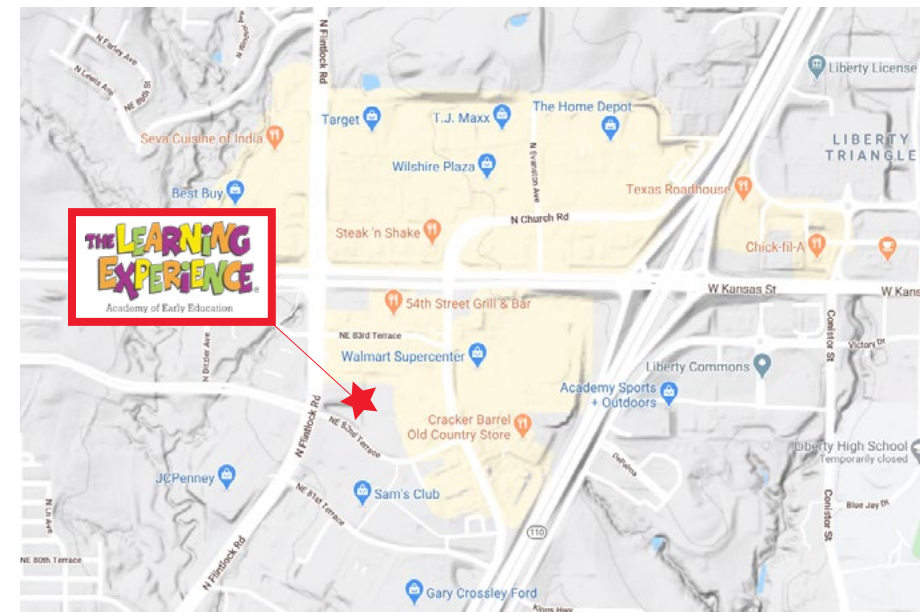
The Kansas City Metropolitan Statistical Area (MSA) is a 14-county metropolitan area anchored by Kansas City, Missouri on the border between Missouri and Kansas. With a population of 2,159,159, it ranks as the second largest metropolitan area with its core in Missouri and has a population in Kansas larger than the Wichita metropolitan area. The federal government is the largest employer in the Kansas City metro area, with more than 146 federal agencies maintaining a presence in the MSA. The Kansas City MSA's largest private employer is Cerner Corporation, a global healthcare IT company that is headquartered in North Kansas City. Other major employers and business enterprises are AT&T, BNSF Railway, Sprint, Citigroup, EMBARQ, Garmin, Hallmark Cards, Harley-Davidson, Husqvarna, H&R Block, General Motors, Ford, MillerCoors, State Street, and Waddell & Reed, some of which are headquartered in the metropolitan area.

- » The Internal Revenue Service maintains a large service center in Kansas City that occupies nearly 1,400,000 square feet. It is one of only two sites to process paper returns. The IRS has approximately 2,700 full-time employees in Kansas City, growing to 4,000 during tax season.
- » One of the largest U.S. drug manufacturing plants is the Sanofi-Aventis plant in south Kansas City, on a campus developed by Ewing Kauffman's Marion Laboratories.
- » Dairy Farmers of America, the largest dairy co-op in the United States, operates out of Kansas City.
- » Kansas City's urban core is experiencing its greatest revival in more than 50 years. The downtown population quadrupled in the last decade and is expected to grow by 50% in the next five years.
- » Kansas City has more than 200 fountains, second most in the world just behind Rome, earning the nickname, "City of Fountains." Kansas City also has more boulevards than any city except Paris, France and is often referred to as the "Paris of the Plains."

MAJOR EMPLOYERS IN KANSAS CITY, MO

OF EMPLOYEES

FEDERAL GOVERNMENT	27,000
CERNER CORPORATION	10,160
UNIVERSITY OF KANSAS	10,089
FORT LEAVENWORTH	9,000
HCA MIDAMERICA	8,650
WHITEMAN AIR FORCE BASE	7,642
CHILDREN'S MERCY HOSPITALS & CLINICS	7,415
FORD MOTOR COMPANY	7,415
UNIVERSITY OF KANSAS HOSPITAL	6,500
STATE OF MISSOURI	5,904

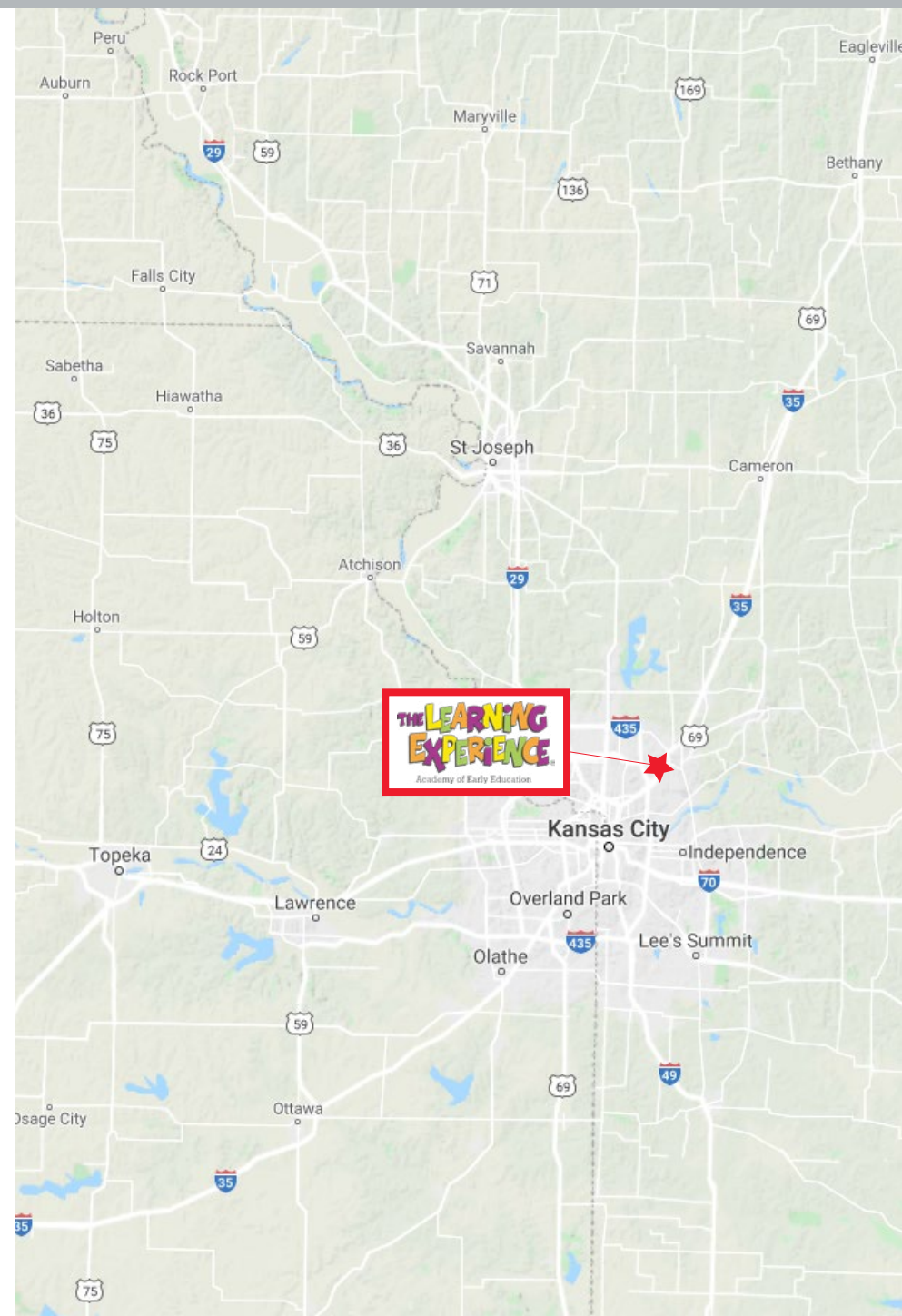


DEMOGRAPHIC PROFILE

2020 SUMMARY	1 Mile	3 Miles	5 Miles
Population	5,215	49,131	99,208
Households	2,269	18,436	37,203
Families	1,450	12,979	26,302
Average Household Size	2.30	2.59	2.63
Owner Occupied Housing Units	1,267	12,834	27,023
Renter Occupied Housing Units	1,002	5,601	10,180
Median Age	35.6	35.6	36.7
Average Household Income	\$105,976	\$105,992	\$103,725
2025 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	5,807	52,543	105,783
Households	2,532	19,772	39,737
Families	1,613	13,866	27,971
Average Household Size	2.29	2.58	2.62
Owner Occupied Housing Units	1,433	13,810	28,923
Renter Occupied Housing Units	1,100	5,962	10,814
Median Age	36.3	36.2	36.9
Average Household Income	\$119,756	\$117,914	\$114,918



**AVERAGE HOUSEHOLD INCOME OF \$105,976
WITHIN ONE MILE**



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